

## CANADA'S ENVIRONMENTAL CHOICE<sup>™</sup> PROGRAM: THE ECOLOGO<sup>™</sup>

### Introduction

"The mission of the Environmental Choice Program (ECP) is to reduce the stress on the environment by encouraging the demand for and supply of environmentally responsible products and services"(Canada's *Environmental Choice Program*, 1996). ECP was created as a voluntary ecolabeling program by Environment Canada (the environment department of the Government of Canada) in 1988. In 1995, TerraChoice Environmental Services Inc., a Canadian private sector company, assumed management of the ecolabeling program, though Environment Canada still retains ownership.

ECP has published 50 final guidelines, has generated 39 certification criteria documents through the Panel Review and Certification Process (see below), and has awarded the EcoLogo to over 1,750 products, services, technologies, and events as an indication of their positive environmental attributes. It has received a generally favorable response from consumers and industry -- a June 1996 survey found that one in five Canadians said that they or someone in their household had purchased a product carrying the EcoLogo in the past year, and that two in three Canadians said they had confidence in the EcoLogo as a buying guide. Additionally, in a 1995 survey, 80 percent of marketing managers said they expected some increase in consumer demand for information on environmental attributes of products.

### Recent Developments

ECP has undergone several significant changes in the past few years. As mentioned above, ECP management was transferred from the government to TerraChoice, a private consulting company. ECP has also begun a significant marketing program; they publish newsletters, distribute an ecobuyer guide, and staff attend numerous trade shows. Not only has their marketing increased, but it has also shifted targets; whereas retail consumers were the focus in the past, they are now shifting their aim upstream to, for example, industry groups, school boards, and private institutions. ECP has also increased use of their Panel Review and Certification Process for awarding labels. Described in detail in the summary section below, this differs from most other programs in that it will award a label to a single product that is particularly innovative without previously creating a product category and establishing award criteria. This methodology is very different from the conventional supply-side approach of most seal-of-approval programs that create standards for groups of products at a time.

### Program Summary

TerraChoice is responsible for selecting product categories, and does so based on either supply- or demand-side indicators. The supply-side management approach, one of the most commonly used by ecolabel programs, selects product categories based on the volume of the particular product in the marketplace and the potential for environmental improvement. The demand-side approach,

unique to the ECP program, allows manufacturers to request a label for a particular product (most other programs will field requests for product categories but not for specific products).

Criteria for the category are developed using a Technical Briefing Note (TBN) characterizing the lifecycle of a product. A Review Committee, including experts from various fields, then reviews the draft. Upon completion of the proposed guideline by the Review Committee, there is a four-to-eight-week public review period. While they are not formally required to reply, TerraChoice responds to most comments. TerraChoice officials, along with the Review Committee, revise the draft guidelines based on the public comments received. Upon acceptance by the government, the final guideline is released.

Manufacturers can then apply for an ecolabel for a product meeting the published criteria for the relevant product category. Applicants undergo a confidential certification and audit process conducted by TerraChoice. Applicants are responsible for the cost of verifying that the criteria are met by their product and that they meet general licensing requirements (e.g., compliance with applicable environmental, safety, and performance legislation). These costs can be between \$750 (\$542 US) to \$2,500 (\$1,807 US) Canadian dollars based on the certification criteria and the requirement for site auditing.

Companies can also apply for certification for a product for which criteria have not been developed, referred to as the Panel Review and Certification Process. Certification of applicants with unique or niche products or services for which product category standards have not been established are recommended. An expert panel reviews each specific product application. While manufacturers are not charged a higher fee for this process, it tends to be more labor intensive than the process for technical guidelines; the applicant must present a large amount of technical and marketing information documenting its environmental excellence. If several similar products apply for the award through the Panel Review and Certification process, TerraChoice may develop a set of criteria for the product category as described above in the supply-side approach.

Once a manufacturer has been awarded use of the ecolabel, the company enters into a contract with TerraChoice. The annual fee is based on gross annual sales, and can be anywhere between \$350 and \$10,000 per license. Compliance is ensured through an annual statement submitted by the manufacturer confirming continued compliance, and through a three-year review of guidelines. In addition, compliance monitoring is conducted and paid for by TerraChoice, and includes location visits, product testing, and records verification.

## **Program Methodology**

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without the development of overall labeling criteria. If several manufacturers express interest in certification of the product, TerraChoice then considers the development of labeling criteria for the whole class of products. These are known as Technical Guidelines.

Technical Guidelines for the category are developed using a Technical Briefing Note (TBN), which looks at the environmental impacts of the product throughout its lifecycle, as well as market, economic, and technical information about the product category. In developing the Technical Guidelines, information from public sources is gathered and evaluated. The Review Committee then reviews the Guidelines for scientific validity.

Companies can also apply for certification for a product for which criteria have not been developed, referred to as the Panel Review and Certification Process. Certification of applicants with unique or niche products or services for which product category standards have not been established, and which represent a clear and significant reduction in environmental impacts, are recommended. An expert panel reviews each specific product application. While manufacturers are not charged a higher fee for this process, it tends to be more labor intensive than the process for technical guidelines; the applicant must present a large amount of technical and marketing information documenting its environmental excellence. If several similar products apply for the award through the Panel Review and Certification process, TerraChoice may develop a set of criteria for the product category as described above.

### **Other Information**

ECP is sensitive to the constraints of small and medium-sized businesses. Because its fee is based on sales, the minimum fee is applied to businesses with smaller sales.

The program is informally connected to several governmental and non-governmental procurement programs. In part, because the government owns the program, the ecolabel is used for government procurement; most departments in the government are required to be “green,” creating a large market for products with the label. Additionally, the Green Procurement Institute is a Canadian organization set up to encourage green procurement. They work closely with ECP and provide a wealth of information to retailers and governments interested in green procurement. The EcoBuyer newsletter, mentioned above, is an ECP creation used to reach retailers and purchasing departments in private companies to inform them about ECP-labeled products. The ECP reports that, in addition to specifying labeled products, some retailers rely on the criteria outlined by the Canadian ecolabel but use their own verification process.

ECP is also active in coordination with other non-Canadian labeling bodies. The program is a member of the Global Ecolabeling Network (GEN), and participates in International Standards Organization (ISO) activities. ECP plans to incorporate the ISO 14020 and 14024 standards once they are final. ECP representatives advocate “consistency, high credibility, and mutual respect between existing and proposed programs,” and are working on mutual recognition with other programs. To this end, ECP has exchanged information with both the Taiwan program and the

US Green Seal program. Specifically, they are working toward mutual recognition with Taiwan through standardization of operations based on ISO standards, mutual recognition of non-product-related impacts, and cooperation in auditing, verification and testing. While the panel review process was not specifically designed to address these issues, it is a useful process for recognizing and awarding labels to products from other countries based on their environmental leadership.

Additionally, TerraChoice, acting as a privately hired consulting company, has contracts with both India and Mexico. While India already has a program structure set up, they have sought TerraChoice advice and recommendations regarding potential program revisions. Mexico has sought TerraChoice assistance in assessing the merit of, and issues relating to, the development of a Mexican environmental labeling program.

While completely separate from ECP, another labeling program is being formed by TerraChoice and the Ontario Centre for Environmental Technology Advancement called the Environmental Technology Verification (ETV) Program. In its pilot stage, this program is being coordinated with the U.S. Environmental Protection Agency (EPA) National Environmental Technology Strategy and the California EPA. ECP expects to issue “certificates of authenticity” to environmental technologies under the new program. The program is voluntary, and will provide a set of standards across Canada and the US.

## References

Canada’s Environmental Choice Program, October 1996.

*The Environmental Monitor*, June 1996.

*Insight Canada*, February 1995.

Canada’s Environmental Choice Program. “Environmental Choice Program, Annual Report.” 95/96.

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**Product Categories** (number of awarded products in parentheses)

*Final Categories*

- Automotive engine oil (8)
- Products made from recycled plastic (2)
- Specialty batteries (4)
- Products made from recycled rubber
- Water-borne surface coatings (31)
- Fine paper from recycled paper
- Miscellaneous products from recycled paper (35)
- Newsprint from recycled paper
- Solvent-borne paints (7)
- Diapers (1)
- Composting systems for residential waste (1)
- Automotive fuels (6)
- Reusable utility bags (5)
- Energy-efficient lamps
- Water conserving products (5)
- Commercial car wash services
- Automobile service stations
- Autobody, collision repair, and refinishing services
- General purpose cleaners (4)
- Domestic water heaters
- Building materials: acoustical products
- Dry cleaning services
- Building materials: thermal insulation (5)
- Remanufactured printing cartridges (1)
- Engine coolant concentrate
- Adhesives
- Sealants and caulking compounds
- Photocopiers (1)
- Printing inks

Gypsum wallboard  
Driveway sealers (1)  
Photofinishing services  
Industrial and commercial cleaners  
Lithographic printing services (1)  
Toilet tissue (1)  
Kitchen towels  
Facial tissue  
Table napkins  
Hand towels  
Rechargeable consumer batteries (2)  
Office furniture and panel systems  
Recycled water-borne surface coatings  
Biodegradable, non-toxic chain and saw lubricants  
Polyethylene plastic film products (3)  
Demountable partitions  
Facsimile machines (1)  
Marine inboard  
Marine foul release coatings (2)  
Business forms and other converted paper products  
Envelopes

*Guidelines Under Development*

Biodegradable non-toxic hydraulic fluids  
Industrial and commercial cleaners  
Resilient flooring  
Coated paper

*Categories Under Consideration*

Wood shakes and shingles  
Carpets  
Carpet insulation  
Pre-finished hardwood flooring  
Asphalt shingles  
Steel-based roofing products  
Fibreboard  
Concrete-based products  
Particleboard

*Panel Review Criteria*

Clothing made from certified organic cotton  
Source reduced plastic cheese packaging film  
Organic turf management service

Source reduced plastic petri dishes  
 Fire door kit for retrofit projects  
 Battery powered lawnmower  
 Cotton swabs  
 Pressed firewood logs  
 Technology for industrial laboratory extractions  
 Energy efficient tires  
 Laser jet-desk top printers  
 Household washing machines  
 Household dishwashers  
 Packaging management system  
 Alternative water well rehabilitation technology  
 Alternative source electricity generation by utilities  
 Paint and varnish remover  
 Outdoor furnishings manufactured from waste-wood  
 Packaging management system  
 Synthetic industrial lubricant  
 Flushable and biodegradable sanitary napkin  
 Particleboard manufactures from an agricultural fibre  
 Advanced wastewater treatment system  
 Re-refined industrial lubricating oil  
 Pouch packaging system for liquid milk  
 Biodegradable bicycle chain oil  
 Alternative source electricity generation from biomass utilities  
 Residential homes  
 Resin used in the manufacture of compost bags  
 Remanufactured mattresses  
 Outdoor community events  
 Electronic equipment recovery service  
 Fishing sinkers  
 Component pulp  
 Fibreboard manufactures from recycled resources  
 Warming cooking gel  
 Office facilities  
 Anticorrosion chemical for vehicles  
 Liquid laundry detergent and fabric softeners

In the near future, the TerraChoice website will include continuously updated information on the ECP, a listing of all ECP certification criteria documents, and directions on how to order/obtain ECP documents. The website address is: [www.terrachoice.ca](http://www.terrachoice.ca).

